



## The "layers" of instant payments

end-user solutions

- Cooperatively/ competitively developed on the market
- Expected to enable pan-European reach through interoperability
  - e.g. P2P mobile payments, online payments, P2B and B2B payments

schemes

Instant SEPA Credit Transfer (SCT<sup>inst</sup>) scheme as basis for pan-European euro instant payment solutions based on credit transfer

clearing layer

- Intrabank
- or
- Bilateral interbank

**ACH** 

- or or
- "Point-to-point network"

settlement layer

- Deferred net settlement (with cash or securities collateral) vs
- Real-time gross settlement (in the RTGS or in a dedicated module of the RTGS)



## **Instant SEPA Credit Transfer scheme**

- Following agreement within the ERPB, the European Payments Council (EPC)
  drafted a scheme rulebook for instant credit transfers with SEPA-wide reachability
- The rulebook is expected to be developed by November 2016 and implemented by November 2017



The money will be available on the account of the payee within ten seconds



It will apply to credit transfers made in euro, up to an initial maximum amount of **15,000 euro**.



SCT Inst transactions will be available 24/7/365



Transactions will be possible in the **34 countries** which are within the scope of the current SEPA schemes.

Source www.europeanpaymentscouncil.eu



## Clearing and settlement arrangements for instant payments

ECB dialogues with clearing industry (**ACH**s and **PSP**s) to facilitate instant clearing arrangements:

- a single procedure for settlement of pan-European instant payments via TARGET2 : ASI model6 real-time
- a single model for risk management: full pre-funding in cash
- a way forward for a common access policy
- achieving interoperability and pan-European reach

